

2016 TAX RATE QUICK GUIDE

Standard deductions

Single and married filing separately	\$6,300
Married filing jointly or surviving spouse	\$12,600
Head of household	\$9,300

Standard mileage rates

Business use of auto	54¢ per mile
Charitable contribution	14¢ per mile
Medical use and moving expense	19¢ per mile

Social Security earnings limits for retired workers

Retirement age	Earnings limit
Prior to retirement age	\$15,720
Year of retirement	\$41,880
At or over retirement age	None

Personal exemption (see phaseout below)

\$4,050

Self-employment tax

Tax rate for self-employment income is 15.3% on first \$118,500 and 2.9% thereafter.

Kiddie tax

Investment income in excess of \$2,100 is taxed at the higher of the parent's rate or the child's rate. Applies to unmarried children younger than 18, to children age 18 whose earned income is not more than half their support, and to children older than 18 but younger than age 24 who are full-time students and whose earned income is not more than half their support.

Phaseouts of personal exemptions and itemized deductions Begin and end with AGI between:

Single	\$259,400	\$381,900
Married filing jointly	\$311,300	\$433,800
Married filing separately	\$155,650	\$216,900
Head of household	\$285,350	\$407,850

Applicable exclusion amount for estate, gift, and generation-skipping transfer tax - 2016: \$5,450,000

Maximum estate, gift, and GST tax rate: 40%

Gift tax annual exclusion - 2016: \$14,000

Top individual state rates

Idaho: 7.4%	Montana: 6.9%
Illinois: 3.75%	Pennsylvania: 3.07%
Minnesota: 9.85%	Wisconsin: 7.65%

Single filing

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$9,275	10%	-	-
\$9,275	\$37,650	\$927.50	15%	\$9,275
\$37,650	\$91,150	\$5,183.75	25%	\$37,650
\$91,150	\$190,150	\$18,558.75	28%	\$91,150
\$190,150	\$413,350	\$46,278.75	33%	\$190,150
\$413,350	\$415,050	\$119,934.75	35%	\$413,350
\$415,050	-	\$120,529.75	39.6%	\$415,050

Married filing jointly or surviving spouse

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$18,550	10%	-	-
\$18,550	\$75,300	\$1,855	15%	\$18,550
\$75,300	\$151,900	\$10,367.50	25%	\$75,300
\$151,900	\$231,450	\$29,517.50	28%	\$151,900
\$231,450	\$413,350	\$51,791.50	33%	\$231,450
\$413,350	\$466,950	\$111,818.50	35%	\$413,350
\$466,950	-	\$130,578.50	39.6%	\$466,950

Married filing separately

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$9,275	10%	-	-
\$9,275	\$37,650	\$927.50	15%	\$9,275
\$37,650	\$75,950	\$5,183.75	25%	\$37,650
\$75,950	\$115,725	\$14,758.75	28%	\$75,950
\$115,725	\$206,675	\$25,895.75	33%	\$115,725
\$206,675	\$233,475	\$55,909.25	35%	\$206,675
\$233,475	-	\$65,289.25	39.6%	\$233,475

Head of household

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$13,250	10%	-	-
\$13,250	\$50,400	\$1,325	15%	\$13,250
\$50,400	\$130,150	\$6,897.50	25%	\$50,400
\$130,150	\$210,800	\$26,835	28%	\$130,150
\$210,800	\$413,350	\$49,417	33%	\$210,800
\$413,350	\$441,000	\$116,258.50	35%	\$413,350
\$441,000	-	\$125,936	39.6%	\$441,000

Noncorporate net capital gain and qualified dividend rates

15% - Normal rate, but 20% if taxable income is > \$415,050 (\$466,950 if married filing jointly)

0% - If the gain would otherwise be taxed at a rate below 25% if it were ordinary income

25% - Gain attributable to straight-line depreciation on Section 1250 property held > 1 year (unrecaptured 1250 gains). If taxpayer is in a lower bracket, then lower rate applies. Ordinary rate applies to gain attributed to depreciation taken in excess of straight-line depreciation on 1250 property (1250 recapture).

28% - Collectibles gain and gain from selling certain small business stock

Corporate income tax rate

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$50,000	15%	-	-
\$50,000	\$75,000	\$7,500	25%	\$50,000
\$75,000	\$100,000	\$13,750	34%	\$75,000
\$100,000	\$335,000	\$22,250	39%	\$100,000
\$335,000	\$10,000,000	\$113,900	34%	\$335,000
\$10,000,000	\$15,000,000	\$3,400,000	35%	\$10,000,000
\$15,000,000	\$18,000,000	\$5,150,000	38%	\$15,000,000
\$18,000,000	-	35%	-	\$18,000,000

Estate and trust income tax rate

Taxable income is over	But not over	The tax is	+	Of the amount over
-	\$2,550	15%	-	-
\$2,550	\$5,950	\$382.50	25%	\$2,550
\$5,950	\$9,050	\$1,232.50	28%	\$5,950
\$9,050	\$12,400	\$2,100.50	33%	\$9,050
\$12,400	-	\$3,206	39.6%	\$12,400

3.8% Medicare tax on net investment income

Tax imposed on lesser of "net investment income" or MAGI > \$250,000 (MFJ) or \$200,000 (Single)

Medicare tax on high-income earners Additional 0.9% tax on wages greater than:

Single	\$200,000
Married filing jointly or surviving spouse	\$250,000
Married filing separately	\$125,000
Head of household	\$200,000

Retirement plan limits

Deferral limits for plans

§401 (k), 403(b), and 457 plans	\$18,000
SIMPLE	\$12,500

Catch-up contributions for participants age 50 or older

Other than SIMPLE plans	\$6,000
SIMPLE plans	\$3,000

Other limitations and thresholds

Qualified plans - annual compensation limit	\$265,000
Defined benefit - maximum annual benefit	\$210,000
Defined contribution - maximum annual addition	\$53,000
"Key employee" in top-heavy plan	\$170,000
"Highly compensated employee" threshold	\$120,000
SEP compensation threshold for participation	\$600

Definition of "control employee" for fringe benefit valuation

Reg. §1.61-21(f)(5)(i)	\$105,000
Reg. §1.61-21(f)(5)(iii)	\$215,000

Individual retirement accounts

Traditional IRAs and Roth IRAs

Contribution limit	\$5,500
Catch-up contribution (age 50 or older)	\$1,000

Phaseout rules based on MAGI ranges

Deductible amounts for traditional IRAs:

Active participant in other plan filing joint return or qualifying widow(er): \$98,000 - \$118,000

Not active participant, but active participant spouse: \$184,000 - \$194,000

All other taxpayers (except married filing separately): \$61,000 - \$71,000

Maximum contribution for Roth IRAs:

Joint return or qualifying widow(er): \$184,000 - \$194,000

All other taxpayers (except married filing separately): \$117,000 - \$132,000

Health savings accounts

Plan minimum deductible (self/family)	\$1,300/\$2,600
Contribution maximum (self/family)	\$3,350/\$6,750
Catch-up contribution (age 55 or older)	\$1,000
Plan out-of-pocket limit (self/family)	\$6,550/\$13,100

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